

**REDEVELOPMENT AGENCY MEETING
JUNE 20, 2006**

The meeting was called to order as the City Council at 2:05 pm. by Council President Peters with Council President Pro Tem Young not present.

Roll Call Faulconer, Atkins, Maienschein, Fyre,
 Madaffer, Hueso, and Council President Peters

Angela Means, Independent Budget Analyst
Karen Heumann, City Attorney
Elizabeth Maland, City Clerk

Excused Young

The meeting adjourned as the City Council at 2:12 p.m.

The meeting reconvened as the Redevelopment Agency at 2:12 p.m. by Chair Peters with Chair Pro Tem Young not present.

1. **Approval of the minutes of:**

March 20, 2006, special
March 21, 2006
March 28, 2006, special

Motion by Member Atkins to approve (with Young not present)
Second by Member Madaffer
Passed by the following Vote: 7-0

REDEVELOPMENT MEETING MINUTES-JUNE 20, 2006

Adoption

2. **Exclusive Negotiating Agreement with City Heights Paseo, LLC for a proposed mixed-use development in the City Heights Redevelopment Project Area (District 3)**

(RA-2006-137)

Item 1. Authorize the Executive Director or designee, to enter into an ENA with City Heights Paseo, LLC for a proposed mixed-use development.

Item 2. Amend the Fiscal Year 2006 Agency Budget for the City Heights Redevelopment Project Area to accept and authorize the expenditure of a Developer Deposit in the amount of \$25,000.

This activity is not a “project” and therefore exempt from CEQA pursuant to State CEQA Guidelines Section 15060 (C) (3).

Redevelopment Agency

Staff: Bob Kennedy 533-4276

Jim LoBue 533-5263

Agency Counsel: Carol Leone

No one spoke in opposition to this item.

Motion by Member Atkins to Adopt (with Young not present)

Second by Member Madaffer

Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04039 and D-04039.

REDEVELOPMENT MEETING MINUTES-JUNE 20, 2006

Adoption

3. **Home in the Heights First-Time Homebuyer Loan Program-City Heights Redevelopment Project Area (Districts 3, 4 and 7)**

(RA-2006-138) (Cor. Copy)

- Item 1. Approve the First Amendment to the Agreement with Community Housing Works to extend the term of the Agreement to June 30, 2007, and to increase the total compensation in an amount not to exceed \$100,000.
- Item 2. Authorize the expenditure of \$526,000 in FY 2007 City Heights Redevelopment project Area tax increment housing set-aside funds For individual second mortgage loans to first-time homebuyers (\$480,000) and for loan processing fees and administration of (46,000) for the Home in the Heights First-Time Homebuyer Loan Program.

This activity is not a “project” and therefore exempt from CEQA pursuant to State CEQA Guidelines Section 15060 (C) (3).

Redevelopment Agency

No one spoke in opposition to these items.

Staff: Bob Kennedy 533-4276

Kim Gerhard 533-5369

Agency Counsel: Eunice Chan

Auditor Certificate Number: AC 2600147

Motion by Member Atkins to Adopt (with Young not present)

Second by Member Madaffer

Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04040 and D-04040.

REDEVELOPMENT MEETING MINUTES-JUNE 20, 2006

Adoption

4. First Implementation Agreement to the YMCA (Peninsula Branch) Site Improvement Assistance Agreement (District 2)

(RA-2006-134)

- Item 1. Authorize the Executive Director or designee to execute the First Implementation Agreement to the YMCA Site Improvement Assistance Agreement between the Redevelopment Agency and The YMCA of the San Diego County (Peninsula Branch).

A Mitigated Negative Declaration No. 1606 was prepared for the project in Accordance with the State of California Environmental Quality Act (CEQA) Guidelines. A Mitigation, Monitoring, and Report Program (MMRP) will be implemented which will reduce, to below a level of significance, the potential environmental impacts identified from the environmental review process for the following resource areas: noise.

See Redevelopment Agency Report no. RA-06-30, dated June 14, 2006.

No one spoke in opposition to this item.

Staff: Lara Gates 533-5458

Melissa Garcia 533-5265

Agency Counsel: Carol Leone

Motion by Member Faulconer to Adopt (with Young not present and Fyre in opposition)

Second by Member Hueso

Passed by the following Vote: 6-1

Redevelopment Agency Resolution and Document numbers R-04041 and D-04041.

Adoption

6. **Gaslamp Renaissance Hotel- (located on the block bounded by J Street and Fifth, Sixth, and Island avenues) Proposed Implementation Agreement to Disposition and Development Agreement with GRH, LLC-Gaslamp Quarter Sub Area of the Centre City Redevelopment Project (District 2)**

That the Redevelopment Agency of the City of San Diego:

(RA-2006-120)

Approve a Proposed Implementation Agreement to the Disposition and Development Agreement (“DDA”) entered into by the Agency and GRH, LLC on April 12, 2004, for the assembly of 40,000 square-foot site to develop and construct a 334 –room hotel on the corner of Fifth Avenue and J Street (“Site).

(RA-2006-121)

Stating for the record that the information contained in the MEIR/SEIR and the Secondary Study and the Supplement to the MEIR for the project, has been reviewed and considered by the Agency and it is determined that no substantial changes or new information of substantial importance within the meaning of CEQA Guideline Section 15162 would warrant any additional environmental review in connection with approval of the project.

An Environmental Secondary Study for the Renaissance Hotel, dated April 12, 2002, was prepared by BRG, an environmental consultant for CCDC. The Environmental Secondary Study found that the proposed project may result in significant environmental effects not discussed in the Master Environmental Impact Report (“MEIR”), for the Centre City Project, the Subsequent Environmental Impact Report (“SEIR”) to the MEIR for the proposed Ballpark and ancillary development and a Supplement to the MEIR would be required to be prepared for the project.

REDEVELOPMENT MEETING MINUTES-JUNE 20, 2006

Adoption

6. **Gaslamp Renaissance Hotel- (located on the block bounded by J Street and Fifth, Sixth, and Island avenues) Proposed Implementation Agreement to Disposition and Development Agreement with GRH, LLC-Gaslamp Quarter Sub Area of the Centre City Redevelopment Project (District 2)**

(Continued)

A Supplement to the MEIR was prepared to evaluate the environmental effects of the demolition of the historic Greenbaum Market and the Manos Produce buildings. The Agency by Resolution No. R03756, certified that the Agency reviewed and considered information contained in the MEIR, the SEIR, and the Supplement to the MEIR, with respect to the DDA; approving the Supplement to the MEIR; adopting a Mitigation, Monitoring and Reporting Program; adopting a statement of overriding considerations and findings pursuant thereto; and making certain findings and determinations regarding environmental impacts of the Development pursuant thereto.

See Centre City Development Corporation Report no. CCDC-06-20, dated June 14, 2006.

No one spoke in opposition to these items.

Staff: Eli Sanchez 533-7121

Agency Counsel: Bruce Bartram

Motion by Member Faulconer to Adopt (with Young and Fyre not present)

Second by Member Madaffer

Passed by the following Vote: 6-0

Redevelopment Agency Resolution and Document numbers R-04042 and D-04042, R-04043.

REDEVELOPMENT MEETING MINUTES-JUNE 20, 2006

Adoption

7. Proposed First Amendment to the Agreement for Special Legal Counsel Services with Best, Best & Kreiger, LLP – Centre City Redevelopment Project (Districts 2 & 8).

(Continued from the Redevelopment Agency meeting, May 23, 2006)

(RA-2006-128)

That the Redevelopment Agency approve the First Amendment to the Agreement for Condemnation Services with Best, Best & Kreiger.

This activity is not a project, and therefore not subject to CEQA per CEQA Guidelines Section 15060 (C)(2).

See Centre City Development Corporation Report no. CCDC-06-15, dated, May 17, 2006.

No one spoke in opposition to this item.

Staff: David Allsbrook 533-7112

Agency Counsel: Bruce Bartram

Auditor Certificate Number: AC 2600256 revised

Motion by Member Madaffer to Adopt (with Young not present)

Second by Member Hueso

Passed by the following Vote: 7-0

Redevelopment Agency Resolution and Document numbers R-04044 and D-04044.

REDEVELOPMENT MEETING MINUTES-JUNE 20, 2006

Adoption

5. **One year extension of the time limits for the effectiveness of the Barrio Logan, City Heights, College Grove, College Community, Naval Training Center, North Bay, North Park and San Ysidro Redevelopment Plans and the date all debt must be repaid to receive tax increment (Districts 2, 3, 4, 6, 7, 8)**

(RA-2006-135)

Recommend to the City Council adoption of ordinance extending by one year the time limits for the effectiveness of the Barrio Logan, City Heights, College Grove, College Community, Naval Training Center, North Bay, North Park and San Ysidro Redevelopment Plans and the date all debt must be repaid to receive tax increment.

This activity is not a “project” and therefore exempt from CEQA pursuant to State CEQA Guidelines Section 15060 (C) (3).

See Redevelopment Agency Report no. RA-06-29 and Report to Council RTC-06-069, dated June 14, 2006

Council Companion Item no. 330

No one spoke in opposition to this item.

Staff: Maureen Ostrye 533-5428

Agency Counsel: Bruce Bartram

Motion by Member Madaffer to Adopt (with Young not present and Fyre in opposition)

Second by Member Hueso

Passed by the following Vote: 6-1

Redevelopment Agency Resolution number R-04045; and Council Ordinance Subitems A, B, C, D, E, F, G , Introduced, to be Adopted on Tuesday, July 11, 2006.

The meeting adjourned as the Redevelopment Agency at 2:22 p.m.

The meeting reconvened as the City Council at 2:22 p.m. by Council President Peters with Council President Pro Tem Young not present.

REDEVELOPMENT MEETING MINUTES-JUNE 20, 2006

The meeting adjourned as the City Council 2:23 p.m.

The meeting reconvened as the Redevelopment Agency at 2:23 p.m. by Chair Peters with Chair Pro Tem Young not present.

Adoption

8. **Approval of the Transfer of Housing Funds from the Mount Hope Housing Rehabilitation Program to the Southcrest Housing Rehabilitation Program and Approval of the Findings of Benefits to the Mount Hope Redevelopment Project Area (Districts 4 and 8)**

That the Redevelopment Agency of the City of San Diego:

(RA2006-132)

- Item 1. Approves a transfer of \$150,000 from the Mount Hope Housing Rehabilitation Program to the Southcrest Housing Rehabilitation Program.
- Item 2. Approves the Findings of Benefits to the Mount Hope Redevelopment Project Area.

This activity is not a “project” and therefore exempt from CEQA pursuant to State CEQA Guidelines Section 15060 (C) (3).

See Southeastern Economic Development Corporation Report no. SEDC-06-006, dated May 1, 2006.

Council Companion Item no. 331

No one spoke in opposition to these items.

Staff: Sherry Brooks 527-7345

Agency Counsel: Carol Leone

Motion by Member Hueso to Adopt (with Young not present)

Second by Member Madaffer

Redevelopment Agency Resolution number R-04046; and City Council Resolution number R-301567.

REDEVELOPMENT MEETING MINUTES-JUNE 20, 2006

Adoption

9. **Studio 15 – Design Review and Approval of Centre City Development Permit No. 2005-61-East Village Redevelopment District of the Expansion Sub Area of the Centre City Redevelopment Project (District 2)**

(RA-2006-146)

That the Redevelopment Agency approve the design of the Studio 15 project, a proposed affordable housing development on the southwest corner of 15th Street and Imperial Avenue and Centre City Development Permit No. 2005-61.

Under the 2006 Final Environmental Impact Report (FEIR), an Environmental Secondary Study was prepared for all developments in the Centre City area in order to evaluate the project's compliance with the Plan and PDO and, therefore, the findings and conclusions of the FEIR. Unless the project is found to be out of compliance with those planning documents, nor further environmental review is required.

See Centre City Development Corporation Report no. CCDC-06-23, dated June 14, 2006.

Council Companion Item no. 333

Housing Authority Companion Item no. 1

Dale Royal, Project Manager, Centre City Development Corporation, presented staff report.

No one spoke in opposition to this item.

Staff: Dale Royal 533-7108

Suzanne Drolet 533-7109

Agency Counsel: Bruce Bartram

Motion by Member Hueso to Adopt (with Young not present)

Second by member Faulconer

Passed by the following Vote: 7-0

Redevelopment Agency Resolution number R-04047; and City Council Resolution number R-301576.

REDEVELOPMENT MEETING MINUTES-JUNE 20, 2006

Adjournment

The meeting adjourned as the Redevelopment Agency at 2:48 p.m.

Elizabeth S. Maland, Secretary Redevelopment Agency
of the City of San Diego
(jis)